

AMENDED IN ASSEMBLY MAY 23, 1997  
AMENDED IN ASSEMBLY APRIL 28, 1997  
AMENDED IN ASSEMBLY APRIL 10, 1997

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1391**

**Introduced by Assembly Member Goldsmith**

February 28, 1997

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An act to amend Section 11461 of the Welfare and Institutions Code, relating to human services.

LEGISLATIVE COUNSEL'S DIGEST

AB 1391, as amended, Goldsmith. Foster care: provider reimbursement.

Existing law provides for the reimbursement of foster care providers under the state's AFDC program, including payment for children placed in a licensed or approved family home with a capacity of 6 or less or in an approved home of a relative or nonrelative legal guardian and provides for the adjustment of these reimbursement rates. Existing law requires the State Department of Social Services to report to the Legislature by December 31, 1990, on the department's specialized care ratesetting system regarding its effectiveness in meeting the special needs of children in foster care.

This bill would revise the adjustments to be made to the reimbursement rates for these foster care providers, and would require the rates to be increased by 25%. The bill would

also delete the requirement that the department report to the Legislature regarding the specialized care ratesetting system.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 11461 of the Welfare and  
2 Institutions Code is amended to read:

3 11461. (a) For children placed in a licensed or  
4 approved family home with a capacity of six or less, or in  
5 an approved home of a relative or nonrelated legal  
6 guardian, the per child per month rates in the following  
7 schedule shall be in effect for the period July 1, 1989,  
8 through December 31, 1989:

| 9  | Age         | Basic rate |
|----|-------------|------------|
| 10 | 0-4 .....   | \$ 294     |
| 11 | 5-8 .....   | 319        |
| 12 | 9-11 .....  | 340        |
| 13 | 12-14 ..... | 378        |
| 14 | 15-20 ..... | 412        |
| 15 |             |            |

16  
17 (b) (1) Any county that, as of October 1, 1989, has in  
18 effect a basic rate that is at the levels set forth in the  
19 schedule in subdivision (a), shall continue to receive state  
20 participation, as specified in subdivision (c) of Section  
21 15200, at these levels.

22 (2) Any county that, as of October 1, 1989, has in effect  
23 a basic rate that exceeds a level set forth in the schedule  
24 in subdivision (a), shall continue to receive the same level  
25 of state participation as it received on October 1, 1989.

26 (c) ~~(1)~~ *The amounts in the schedule of basic rates in*  
27 *subdivision (a) shall be adjusted as follows:*

28 (1) *Effective January 1, 1990, the amounts in the*  
29 *schedule of basic rates in subdivision (a) shall be*  
30 *increased by 12 percent.*

31 (2) *Effective May 1, 1990, any county that did not*  
32 *increase the basic rate by 12 percent on January 1, 1990,*  
33 *shall do all of the following:*

1 (A) Increase the basic rate in effect December 31,  
2 1989, for which state participation is received by 12  
3 percent.

4 (B) Increase the basic rate, as adjusted pursuant to  
5 subparagraph (A) by an additional 5 percent.

6 (3) (A) Except as provided in subparagraph (B),  
7 effective July 1, 1990, for the 1990–91 fiscal year, the  
8 amounts in the schedule of basic rates in subdivision (a)  
9 shall be increased by an additional 5 percent.

10 (B) The rate increase required by subparagraph (A)  
11 shall not be applied to rates increased May 1, 1990,  
12 pursuant to paragraph (2).

13 (4) Effective January 1, 1998, the amounts in the  
14 schedule of basic rates in subdivision (a) shall be  
15 increased by 25 percent.

16 ~~(2)~~

17 (5) The increase in the basic foster family home rate  
18 shall apply only to children placed in a licensed foster  
19 family home receiving the basic rate or in an approved  
20 home of a relative or nonrelated legal guardian receiving  
21 the basic rate. The increased rate shall not be used to  
22 compute the monthly amount that may be paid to  
23 licensed foster family agencies for the placement of  
24 children in certified foster homes.

25 (d) (1) Effective January 1, ~~1998~~ 1999, until the end of  
26 the ~~1997–98~~ 1998–99 fiscal year, and for each fiscal year  
27 thereafter, the schedule of basic rates in subdivision (a)  
28 shall be adjusted by the percentage changes in the  
29 California Necessities Index.

30 (2) Any county that, as of the 1991–92 fiscal year,  
31 receives state participation for a basic rate that exceeds  
32 the amount set forth in the schedule of basic rates in  
33 subdivision (a) shall receive an increase each year in state  
34 participation for that basic rate of one-half of the  
35 percentage adjustments specified in paragraph (1) until  
36 the difference between the county's adjusted state  
37 participation level for its basic rate and the adjusted  
38 schedule of basic rates is eliminated.

39 (3) If a county has, after receiving the adjustments  
40 specified in paragraph (2), a state participation level for

1 a basic rate that is below the amount set forth in the  
2 adjusted schedule of basic rates for that fiscal year, the  
3 state participation level for that rate shall be further  
4 increased to the amount specified in the adjusted  
5 schedule of basic rates.

6 (e) (1) As used in this section, “specialized care  
7 increment” means an approved amount paid with state  
8 participation on behalf of an AFDC-FC child requiring  
9 specialized care to a home listed in subdivision (a) in  
10 addition to the basic rate. On the effective date of this  
11 section, the department shall continue and maintain the  
12 current ratesetting system for specialized care.

13 (2) Any county that, as of the effective date of this  
14 section, has in effect specialized care increments that  
15 have been approved by the department, shall continue to  
16 receive state participation for those payments.

17 (3) Any county that, as of the effective date of this  
18 section, has in effect specialized care increments that  
19 exceed the amounts that have been approved by the  
20 department, shall continue to receive the same level of  
21 state participation as it received on the effective date of  
22 this section.

23 (4) (A) Except for subparagraph (B), beginning  
24 January 1, 1990, specialized care increments shall be  
25 adjusted in accordance with the methodology for the  
26 schedule of basic rates described in subdivision (c). No  
27 county shall receive state participation for any increases  
28 in a specialized care increment which exceeds the  
29 adjustments made in accordance with this methodology.

30 (B) Notwithstanding subdivision (e) of Section 11460,  
31 for the 1993–94 fiscal year, an amount equal to 5 percent  
32 of the State Treasury appropriation for family homes shall  
33 be added to the total augmentation for the AFDC-FC  
34 program in order to provide incentives and assistance to  
35 counties in the area of specialized care. This  
36 appropriation shall be used, but not limited to,  
37 encouraging counties to implement or expand  
38 specialized care payment systems, to recruit and train  
39 foster parents for the placement of children with  
40 specialized care needs, and to develop county systems to

1 encourage the placement of children in family homes. It  
2 is the intent of the Legislature that in the use of these  
3 funds, federal financial participation shall be claimed  
4 whenever possible.

5 (f) (1) As used in this section, “clothing allowance”  
6 means the amount paid with state participation in  
7 addition to the basic rate for the provision of additional  
8 clothing for an AFDC-FC child, including, but not limited  
9 to, an initial supply of clothing and school or other  
10 uniforms.

11 (2) Any county that, as of the effective date of this  
12 section, has in effect clothing allowances, shall continue  
13 to receive the same level as it received on the effective  
14 date of this section.

15 (3) Beginning January 1, 1990, clothing allowances  
16 shall be adjusted annually in accordance with the  
17 methodology for the schedule of basic rates described in  
18 subdivision (c). No county shall be reimbursed for any  
19 increases in clothing allowances which exceed the  
20 adjustments made in accordance with this methodology.

